



The New Southbound Policy

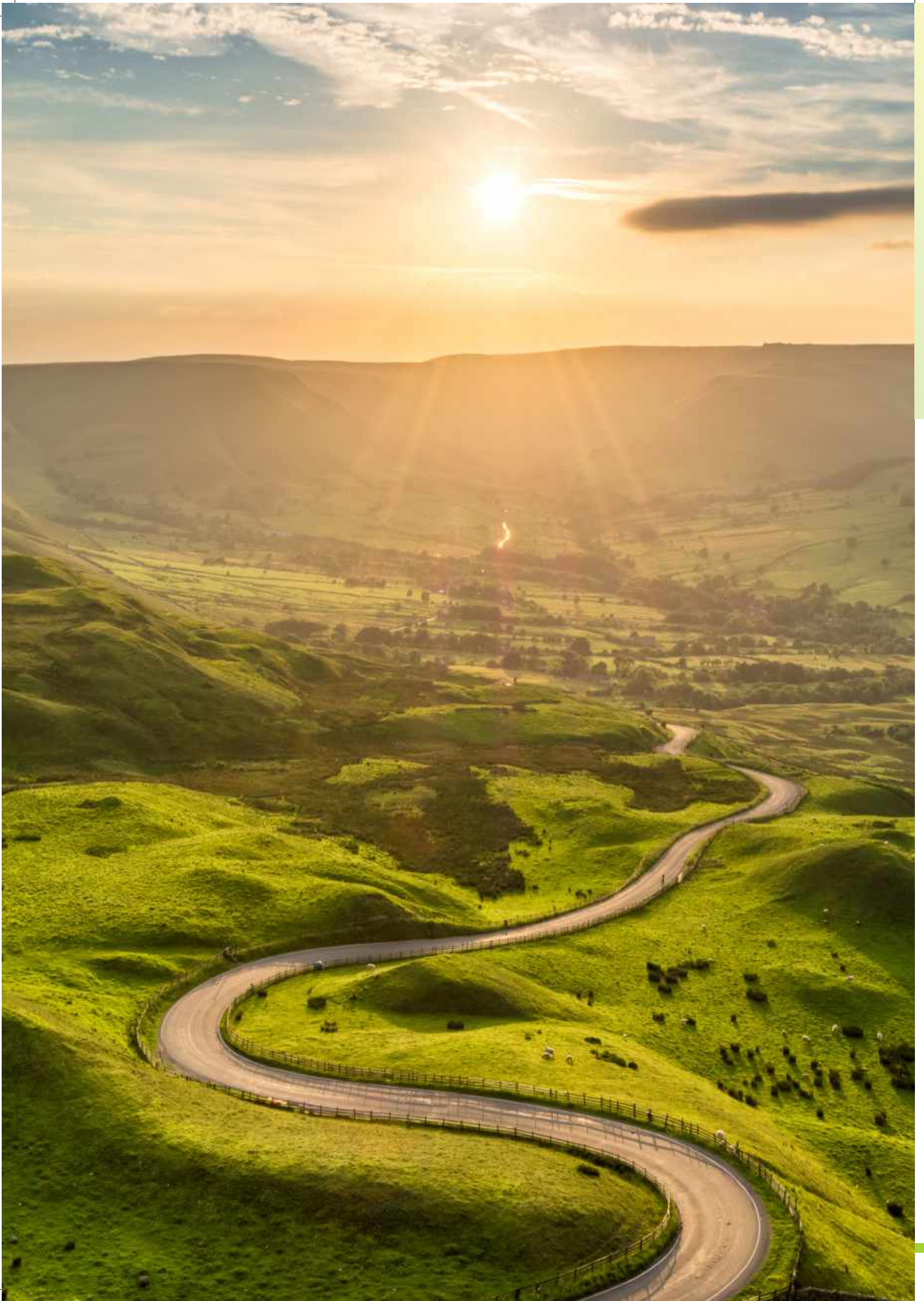
A Practical Approach Moving Full Steam Ahead





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Foreword



Taiwan's New Southbound Policy aims to promote economic and trade ties with the Indo-Pacific region and deepen relations with partner countries by strengthening economic cooperation, talent exchanges, resource sharing, and regional connections.

Taking into account the needs of partner countries, the government of Taiwan has promoted many projects aimed at bolstering cooperation in agriculture, healthcare, tourism, disaster prevention, e-commerce, infrastructure and education.

In order to assist Taiwanese businesses expand into New Southbound Policy markets, the government signed updated versions of bilateral investment agreements with both India and the Philippines so as to better safeguard the personal safety and property rights of Taiwanese businesspeople. This is part of continuous efforts to ensure comprehensive protection of Taiwanese investments overseas. In addition, with the government's support, Taiwanese enterprises have achieved considerable success in partner countries. In terms of e-commerce, over 270,000 Taiwanese products have been listed on partner countries' platforms. In talent cultivation, more than 7,000 people from partner nations have benefited from special industry-academia cooperative courses. In tourism, nearly 2.6 million visits were made to Taiwan by people from the 18 partner countries in 2018. And in infrastructure, Taiwanese companies have won bids worth more than NT\$27 billion (US\$900 million) in power plant, petrochemical, intelligent transportation, urban mass transit, environmental protection, and water resource projects.

Concrete accomplishments have thus been made in the first three years of the New Southbound Policy. The government will build on these accomplishments to further promote the policy, while at the same time advancing cooperation with the U.S. and Japan in Southeast Asia. It will also integrate the strengths of the public and private sectors to create maximum benefit for all parties.

Regional Agricultural Development

A robust agricultural sector long served as the foundation for Taiwan's industrial and commercial development, driving economic growth and enhancing people's livelihoods. The advent of economic globalization and trade liberalization, however, made it imperative for Taiwan to increase its international agricultural competitiveness. Agriculture was restructured through mechanization as well as the introduction of advanced technologies and related applications in farm operations—e.g. temperature control facilities, information technology, drones, big data—to raise added value and competitiveness. Taiwan's success in agricultural transformation has won acclaim among New Southbound Policy partner countries.

Against this backdrop, the Council of Agriculture is pursuing shared agricultural prosperity, sustainable development, and win-win solutions for Taiwan and New Southbound Policy partner countries under the principle of mutual benefit. By combining resources and strengths, as well as stimulating deployment and consolidation at the grassroots level, Taiwan seeks to forge stronger ties with partner countries to collectively boost agricultural prosperity in the region.

Through concerted efforts of the government and private enterprises, Taiwan has achieved concrete progress in agricultural cooperation under the New Southbound Policy, as follows:

1. Promoting exports of agricultural materials and equipment: In 2018, Taiwan's agricultural trade with partner countries totaled US\$5.92 billion, up 3.0 percent from the previous year. Exports of fertilizers, pesticides, and agricultural machinery rose 15.1 percent compared to 2017, reaching US\$183.74 million.
2. Bolstering talent and technological exchanges: In 2018, Taiwan and partner countries made a total of 653 mutual visits for intergovernmental cooperation. Thirty Young Agricultural Ambassadors from Taiwan traveled to Malaysia and Vietnam for exchanges, while 238 foreign and overseas Taiwanese students spent a total of 3,493 days in agricultural career exploration activities in Taiwan.





3. Enhancing bilateral agricultural trade and investment

3.1. Under the bilateral agricultural cooperation framework, Taiwan and Indonesia have signed an action plan to build a modern agricultural demonstration farm in Indonesia; strengthened joint endeavors in food production, horticulture, animal husbandry, irrigation, and organization of farmers' associations; and plan to export Taiwanese agricultural materials, machinery and other equipment to Indonesia, in order to overcome trade and investment barriers for Taiwanese businesses.

3.2. According to a resolution reached at the seventh bilateral agricultural and fisheries meeting, Taiwan will assist the Philippines in establishing a demonstration farm, so as to enhance agricultural collaboration. In March of 2019, the two countries signed an agreement on the establishment of a mushroom demonstration farm in the Philippine city of Baguio.

3.3. In April of 2019, the Taiwan Agricultural Research Institute and Vietnam's Long An Province signed a cooperation agreement on a demonstration center for rice seed and fruit tree seedling production. This will also boost Taiwan's exports of related materials and equipment.

The Council of Agriculture is committed to fostering exchanges and cooperation with New Southbound Policy partner countries through closer links between the public and private sectors. It will leverage Taiwan's strengths to develop markets for agricultural products. By focusing on mutual benefit and diverse exchanges, Taiwan's agricultural sector can demonstrate its resilience and serve as a standard-bearer for the New Southbound Policy.



Medical and Public Health Cooperation and the Development of Industrial Chains



Taiwan unveiled its New Southbound Policy in 2016 to deepen cooperation, foster reciprocal relations, strengthen comprehensive interactions, share experiences and resources, and build solid partnerships with Member States of the Association of Southeast Asian Nations (ASEAN) as well as South Asian countries. One of the policy's key priorities is enhancing medical collaboration.

In 2018, Taiwan launched the One Country, One Center (1C1C) framework, which now covers seven countries—India, Indonesia, Malaysia, Myanmar, the Philippines, Thailand and Vietnam. Medical centers

in Taiwan are assigned to lead teams in creating a platform to meet the needs of each of these partners. National Cheng Kung University Hospital serves as the coordinator for India, National Taiwan University Hospital for Indonesia, Chang Gung Memorial Hospital for Malaysia (and Brunei), Shin Kong Hospital for Myanmar, Tzu Chi Hospital for the Philippines, Changhua Christian Hospital for Thailand, and Veterans General Hospital for Vietnam. This initiative promotes cooperation in six main areas—medical personnel training, healthcare bridge building, healthcare consultation for Taiwanese expatriates, the creation of friendly healthcare environments, surveys of medical regulations and market conditions, and information integration. In 2018, the 1C1C program provided training to 336 medical personnel from partner countries and matched services to 71 enterprises.

Taiwan adopts on a continuous and carefully planned strategy to promote the brand image of our outstanding (high quality yet affordable) healthcare service internationally. Through an integrated marketing approach, we leverage soft power of medical services to stimulate the export of the entire healthcare industry chain to New Southbound partner countries, creating new models for mutual benefits and win-win cooperation. For the past two years, the number of international patients coming from South and Southeast Asian countries to Taiwan for medical treatment has increased from 103,000 to 157,000, with a growth rate as high as 52 percent.

Meanwhile, the Ministry of Health and Welfare (MOHW) has been actively participating in international organizations. In 2018, Minister of Health and Welfare Chen Shih-chung was named Chair of the Executive Board of the APEC Life Sciences Innovation Forum by APEC Economies. This marks the highest-level position that the MOHW has held in APEC since Taiwan gained membership in 1991. An MOHW official was also appointed Chair of Work Group 2: IVDD under the Technical Committee of the Asian Harmonization